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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

SEARS HOLDINGS CORPORATION, *et al.*,¹

Debtors

Chapter 11

Case No. 18-23538 (RDD)

(Jointly administered)

**OBJECTION OF JW MITCHELL COMPANY, LLC TO (A) NOTICE OF CURE COSTS
AND POTENTIAL ASSUMPTION AND ASSIGNMENT OF EXECUTORY
CONTRACTS AND UNEXPIRED LEASES IN CONNECTION WITH GLOBAL SALE
TRANSACTION; AND (B) THE GLOBAL ASSET SALE TRANSACTION**

¹ 1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

JW Mitchell Company, LLC (“JW Mitchell”), hereby files this objection (the “Cure Objection”) to (a) the *Supplemental Notice Of Cure Costs And Potential Assumption And Assignment Of Executory Contracts And Unexpired Leases In Connection With Global Sale Transaction* [Docket No. 1774] (the “Supplemental Assumption Notice”) (b), to the extent applicable, the *Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (“Assumption Notice”) [Docket No. 1730] (the “Assumption Notice”; and (c) the Global Asset Sale Transaction, as described and defined in the *Notice of Successful Bidder and Sale Hearing* [Docket No. 1730] (the “Successful Bidder Notice”). In support of this Objection, JW Mitchell states as follows:

1. On October 15, 2018 (“Petition Date”), Sears Holdings Corporation and a number of its affiliates, including Kmart Corporation (“KMart”), filed voluntary petitions under chapter 11 of the Bankruptcy Code.
2. As of the Petition Date, JW Mitchell was the landlord and Kmart (“Debtor”) was the tenant under a lease of nonresidential real property dated September 1, 2001, as amended (the “Lease”).
3. KMart occupies the property commonly known as 3100 Milliken Avenue, Eastvale, California (the “Property”), pursuant to the Lease.
4. On January 18, 2019, the Debtor served the Assumption Notice.
5. On January 23, 2019, the Debtor served the Supplemental Assumption Notice.
6. In the Supplemental Assumption Notice, the Debtor indicated that the Lease may be assumed and assigned in connection with the sale of the Global Assets and asserted that no cure amount was due under the Lease.

7. The Debtor's cure amount figure is in error. The Debtor is in default of its monetary obligations under the Lease and owes real estate taxes and other fees.

8. JW Mitchell's monetary cure claim as of the filing of this Cure Claim Objection with respect to the Lease is an amount not less than \$218,971.72. This sum is comprised of \$212,911.73 in the form of unpaid real estate taxes and \$6,060 in attorneys fee and costs.

9. Attached hereto as Exhibit "1" is a true and correct copy of the original recorded Memorandum of Lease, the Lease The First Amendment to the Lease is attached hereto as Exhibit "2". The unpaid invoice for property taxes is attached hereto as Exhibit "3".

10. To assume the Lease, the Debtor must cure the aforementioned defaults.

11. This Cure Objection is without prejudice to the fact that other and additional cure claim amounts (a) may exist and/or may become known at a future date and (b) will accrue on an ongoing basis between the filing of this Cure Objection and any subsequent assumption of the Lease. JW Mitchell expressly reserves its right to amend or supplement its Cure Objection though and including the effective date of any proposed assumption and assignment of the Lease.

Dated: January 25, 2019

/s/ Sean A. O'Keefe

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Sean A. O’Keefe certifies that he caused to be served a true and correct copy of the attached **JW Mitchell, LLC’s Cure Claim Objection For Store No. 8780 (East Vale, California)** via transmission of Notice of Electronic Filing generated by CM/ECF on all parties of record, and on parties listed below as indicated.

Dated: January 25, 2019

/s/ Sean A. O’Keefe

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Service List

VIA EMAIL

I. Bid Notice Parties

a. Debtors

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II. Buyer Parties

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III. Consultation Parties

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